

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL EXPRESS, PRIORITY MAIL,
FIRST-CLASS PACKAGE SERVICE & PARCEL SELECT
CONTRACT 8 (MC2021-66)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2021-68

**USPS NOTICE OF AMENDMENT TO
PRIORITY MAIL EXPRESS, PRIORITY MAIL, FIRST-CLASS PACKAGE SERVICE &
PARCEL SELECT CONTRACT 8, FILED UNDER SEAL**
(September 13, 2022)

The Postal Service hereby provides notice that the terms of Priority Mail Express, Priority Mail, First-Class Package Service & Parcel Select Contract 8, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Express, Priority Mail, First-Class Package Service & Parcel Select Contract 8 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective three business days following the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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September 13, 2022

ATTACHMENT A TO REQUEST

REDACTED AMENDMENT TO PRIORITY MAIL EXPRESS, PRIORITY MAIL, FIRST-CLASS

PACKAGE SERVICE & PARCEL SELECT CONTRACT 8

AMENDMENT #2
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL EXPRESS,
PRIORITY MAIL,
FIRST-CLASS PACKAGE SERVICE
AND
PARCEL SELECT

WHEREAS, the United States Postal Service (the “Postal Service”) and [REDACTED] (“Customer”) entered into a Shipping Services Contract, Priority Mail Express, Priority Mail, First-Class Package Service & Parcel Select Contract 8/Docket No. CP2021-68, regarding Priority Mail Express, Priority Mail, First-Class Package Service and Parcel Select, on December 23, 2020.

WHEREAS, the Parties desire to amend the terms in Sections I.B, I.C.3.c, I.F, V, and Section I.A in the Appendix of the Contract; and to add new Sections I.S and I.T to the Contract.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This Amendment, once signed by each Party, shall become effective three (3) business days following the day on which the Commission issues all necessary regulatory approval (the “Amendment Effective Date”).

[Replace Sections I.B, I.C.3.c, I.F, V, and Section I.A in the Appendix of the Contract; and to add new Sections I.S and I.T to the Contract, as follows.]

I. Terms

- B. This Contract applies to Customer’s outbound packages that Customer transports [REDACTED]
[REDACTED]
[REDACTED] excluding packages originating from
and/or addressed to ZIP Codes contained in Table A below, as follows:

1. Priority Mail Express weight-based packages that do not exceed [REDACTED]
[REDACTED];
2. Priority Mail Express Flat Rate Envelopes [REDACTED];
3. Priority Mail weight-based packages that do not exceed [REDACTED]
[REDACTED];

4. Priority Mail cubic packages that do not exceed [REDACTED]
5. Priority Mail Flat Rate Envelopes [REDACTED];
6. Priority Mail Flat Rate Boxes [REDACTED];
7. Priority Mail Regional Rate Boxes [REDACTED];
8. First-Class Package Service – Commercial packages that do not exceed [REDACTED];
9. Parcel Select Ground weight-based packages, excluding [REDACTED], that do not exceed [REDACTED]; and
10. Parcel Select Ground cubic packages that do not exceed [REDACTED]^{1,2}

C. [Unchanged.]

3. [Unchanged.]

- a. [Unchanged.]
- b. [Unchanged.]
- c. Customer may provide its [REDACTED] with pricing below prevailing published Priority Mail Commercial Plus prices for Priority Mail [REDACTED] Contract Packages only as directed by the Postal Service, by utilizing the [REDACTED] pursuant to Section I.S below and Section I.A in the Appendix. Except as expressly set forth to the contrary in this Contract, Customer shall not provide its [REDACTED] with pricing below prevailing published Priority Mail Express, Parcel Select Ground, or First-Class Package Service – Commercial prices for Contract Packages under any circumstances. If Customer fails to comply with this Section I.C.3.c, the Postal Service may move Customer to prevailing published Priority Mail Express Commercial Plus, Priority Mail Commercial Plus, First-Class Package Service – Commercial, and/or Parcel Select Ground prices after five (5) calendar days from Customer’s receipt of written notification by the Postal Service of such non-compliance, if the Customer has not cured its failure within such five (5) calendar day period. If Customer cures its failure, to the full satisfaction of the Postal Service, to comply with this Section I.C.3.c, the Postal Service shall promptly move Customer back to the pricing below prevailing published Priority Mail Commercial Plus prices for Priority Mail [REDACTED] Contract Packages pursuant to this Section I.C.3.c, Section I.S., and Section I.A in the Appendix.

F. Priority Mail Express, Priority Mail and Parcel Select Ground Base Discounts. Beginning on the Effective Date and throughout the term of this Contract, Customer will receive a “Base Discount” equal to [REDACTED] off of the prevailing published Priority Mail Express CPP, Priority Mail CPP, and Parcel Select Ground prices for Priority Mail Express, Priority Mail and Parcel Select Ground weight-based [REDACTED] Contract Packages, respectively. On the Effective Date of the Amendment, the Base Discount will be [REDACTED] for Parcel Select Ground cubic [REDACTED] Contract Packages.

S. [REDACTED]

¹ [REDACTED] discounts for Parcel Select Ground cubic packages will be effective no earlier than July 10, 2022.

² Discounts referenced in Sections I.G , I.H and I.L will not apply to Parcel Select Ground cubic [REDACTED] Contract Packages.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

V. Appeals

Customer may appeal a Postal Service decision regarding the calculation of prices, the amount of postage paid, or other implementation or operational issues under this Contract by submitting a written appeal via email, along with any and all supporting documentation, within thirty (30) calendar days of receipt of notification of the determination giving rise to the appeal to: [REDACTED]. The appeal is forwarded to the Pricing and Classification Service Center (PCSC). The PCSC manager issues the final agency decision. Any decision that is not appealed as prescribed becomes the final agency decision.

[Replace Section I.A of the Appendix to the Contract, as follows.]

I. Requirements

A.

[REDACTED]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the later date below:

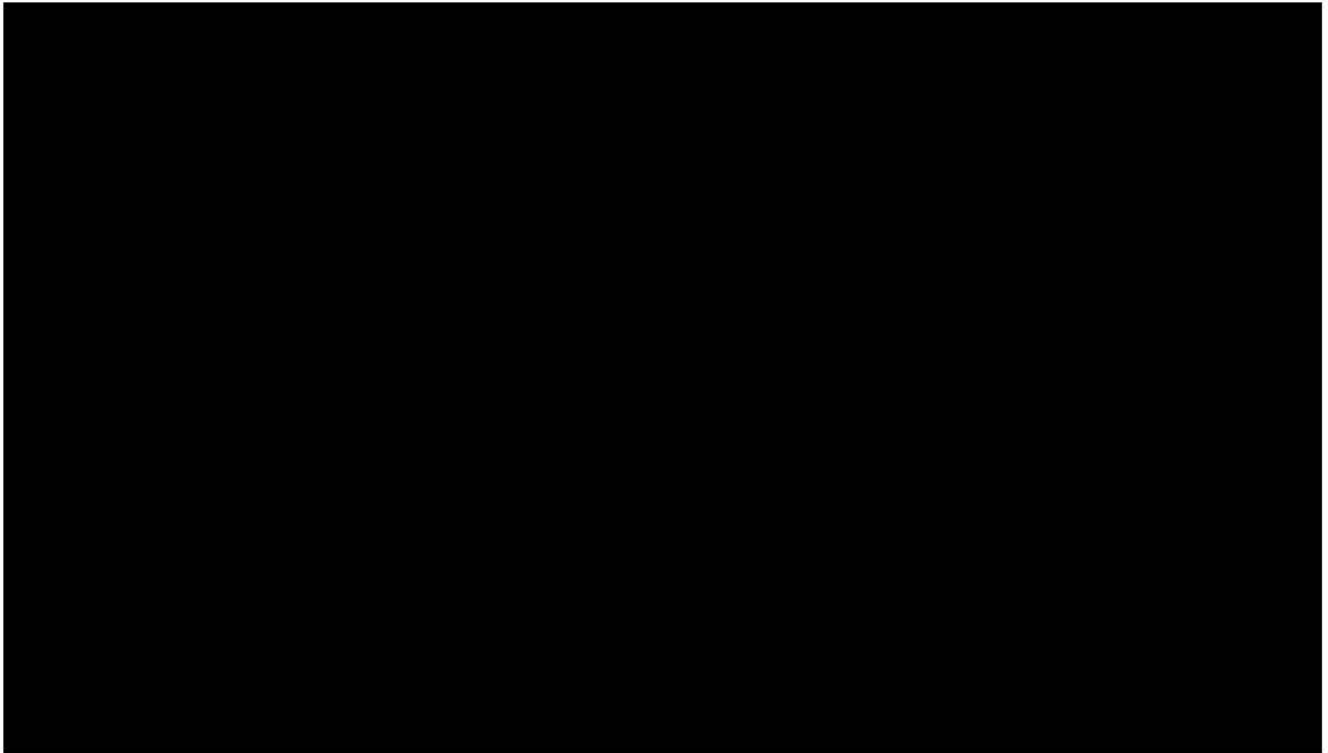
UNITED STATES POSTAL SERVICE

Signed by: _____ *Shibani Gambhir* _____

Printed Name: Shibani Gambhir

Title: Vice President Business Development

Date: 9/13/2022



ATTACHMENT B
SIGNED CERTIFICATION

**Certification of Prices for Amendment to
Priority Mail Express, Priority Mail, First-Class Package Service
& Parcel Select Contract 8**

I, Lisa H. Arcari, Director, Domestic Package Pricing, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Express, Priority Mail, First-Class Package Service & Parcel Select Contract 8. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 19-1).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Lisa
Arcari**

Digitally signed
by Lisa Arcari
Date: 2022.09.13
15:54:35 -04'00'

Lisa H. Arcari